

SECTION 12.40 WAGES AND FRINGE BENEFITS

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Wages and Fringe Benefits

Article IX of the collective bargaining agreements specify the wage and fringe benefit packages that were bargained for each union. It is the responsibility of managers and supervisors to administer the agreements correctly and to ensure that employees receive the benefits provided for by their agreements.

- **Wages**

Employees in classifications covered by a collective bargaining agreement must be paid from the pay plan that covers their job class even if they are exempt from contract coverage because they work less than the required number of hours to qualify for contract coverage ([see Section 12.05](#)). Non-contract employees are paid from the 000 non-contract pay plan.

- **Within-Range Step Increases**

Article IX provides step increases as agreed to in the bargaining process. For contract-covered employees, the increases are automatic and not related to a performance evaluation rating. This, however, does not relieve the supervisor of the need to prepare performance evaluations in accordance with the DAS-HRE rules.

Special Pay Items - [See Section 5.35 Special Pay](#)

Benefits

- For information about Health, Dental, Life, and Disability Insurance, see [Chapter 6, Benefits Administration](#).

Sick Leave

- **Accrual of Sick Leave**

Full-time employees in permanent positions accrue sick leave at the rate provided in the agreement. There is no limit to the amount of sick leave that may be accumulated. Any period of temporary service contiguous to and for which credit is given toward a permanent appointment will retroactively be counted toward the accrual of sick leave. Permanent part-time employees accrue sick leave in an amount proportional to the number of hours worked. Sick leave does not accrue during any period of non-paid time. It accrues at the maximum rate only when the employee has eighty (80) paid hours in a pay period.

- **Use of Sick Leave**

Employees may request to use accrued sick leave for reasons authorized by the agreement. Management may approve or deny the request. Supervisors have the right to disapprove the use of sick leave if contractual requirements are not met and to withhold approval of sick leave pending investigation or receipt of appropriate documentation. Management may require employees to provide information regarding the nature of their illness prior to approving sick leave. The language of the agreement regarding utilization of sick leave must be read in its entirety to determine whether sick leave is appropriate.

There are reasons other than personal illness that may require the employee's confinement or render the employee unable to perform the duties of the job, such as when performance of duties would jeopardize the health or recovery of the employee.

Sick leave will not be allowed for treatments that are undertaken for cosmetic purposes only. This position has been upheld by an arbitrator's award and can be considered as precedent.

Employees should attempt to schedule personal medical and dental appointments during non-work time.

- **Verification of Illness**

Medical verification of illnesses may be required if an employee's habitual use or abuse of sick leave is suspected, subject to limitations of the Family and Medical Leave Act (FMLA). Some agencies have a policy requiring doctor's slips after a certain number of absences in a given time frame. This practice is valid only if it is not used to harass employees and the policy provides for supervisory review to determine that the situation actually warrants the action. The policy should also provide for periodic review to determine how long an employee needs to continue to provide sick leave slips. (The [FMLA policy](#) should be reviewed prior to requesting doctor's excuses for employee absences that are eligible for FMLA coverage).

If a doctor's excuse is needed, the employee should be notified in advance of the need or at the time the employee calls. It is not appropriate to require a doctor's note to verify an illness after the employee has returned to work.

If an employee fails to provide an acceptable doctor's statement, the employee should not be granted sick leave or allowed to return to work until the acceptable statement is received. If the statement is insufficient to determine the need for sick leave, the employee should be asked to provide more information.

Employees who use sick leave related to childbirth are not automatically granted paid sick leave for the entire period of maternity leave. Just as with all other illnesses or disabilities, the employee is granted sick leave only for that period of disability. The employee must provide doctor's verification of disability.

- **Holidays Falling during Periods of Sick Leave**

If a holiday falls while an employee is on sick leave, sick leave is not charged and the employee will be credited with having received the holiday. If an employee reports ill on a holiday that he or she is scheduled to work, sick leave is not charged and the day is considered a holiday for that employee.

- **Substituting Sick Leave during Periods of Annual Leave (Vacation)**

In general, an employee may substitute accrued sick leave should the employee become incapacitated while on paid annual leave (vacation), if the employer is provided satisfactory proof of the hospitalization or illness. Contractual provisions on this topic vary, and exact language should be checked before substituting sick leave.

If an employee becomes ill prior to the start of scheduled annual leave and illness continues into the period of annual leave, sick leave may be substituted for the period of illness if the employee requests the substitution prior to the start of the annual-leave period.

- **Substituting Compensatory Time and or Annual Leave (Vacation) for Sick Leave**

Contract-covered employees are entitled, upon request, to substitute available annual leave (vacation) or compensatory time for sick leave, if sick leave would have been approved. Substitution is allowed for each separate instance of sick leave.

If compensatory or annual leave is substituted for sick leave, time records should be noted to reflect that the absence is due to illness. This will provide accurate records for review of absence patterns due to illness.

- **Other Applications of Accrued Sick Leave**

Contract-covered employees may utilize accrued sick leave for the following reasons as provided in their respective agreements. AFSCME and SPOC contracts discuss these as another use of sick leave. UE/IUP provisions are found in the personal leave section of the Social Services agreement.

Provisions of the Family and Medical Leave Act (FMLA) supersede the provisions of the collective bargaining agreements if the agreements are in conflict or are more restrictive. The [FMLA policy](#) should be reviewed prior to the approval or denial of sick leave.

- **Death in the Immediate Family**

Immediate family is defined in each agreement. The amount of time that is granted will depend on the circumstances. Leave should be granted as requested within contractual limits unless the agency can demonstrate an operational need to limit the employee's period of absence. It is not appropriate to require the employee to limit leave for this purpose to less than the maximum allowed and then require the use of annual leave (vacation) to make up the difference.

If an employee needs to be gone for a whole day and the employer can approve a day's absence, the entire day should be charged to death in the immediate family. If an employee requests more than the maximum days allowed, vacation may then be used for the additional absence approved by management.

- **Pallbearer Leave and Funeral Attendants**

Up to eight (8) hours accrued sick leave will be granted to employees for each instance when the employee serves as a pallbearer or funeral attendant for someone who is not a member of the immediate family. Employees who serve as members of color guards, who are responsible for flowers, for meals, or similar activities are examples of "funeral attendant." It does not apply to general kitchen help provided by a church, or organists, soloists or others who are paid to perform.

- **Care and Necessary Attention to Family Members**

Contract-covered employees may be granted up to forty (40) hours per fiscal year for care of and necessary attention of ill or injured family members. (For UE/IUP Social Services-covered employees, see Personal Leave.)

Specific criteria must be used to determine when and how much leave will be granted for each instance. The criteria, however, frequently require judgment as to whether or not conditions are met. These judgments must be based on:

1. What is consistent?
2. What is equitable?
3. What does common sense dictate?
4. What does conventional administrative practice dictate?

- **When to Grant**

1. The situation must involve a member of the employee's immediate family.
2. The immediate family member must be ill or injured.

- **Other Considerations**

1. The need of the immediate family member.
2. The employee is the only available family member or the most logical one available.
3. The closeness of the family relationship.

The central issue in each case is how much of the employee's absence will be charged to this leave, not whether the employee should have been absent.

The FMLA must be reviewed prior to approving or denying any type of family leave. The provisions of the FMLA supersede contractual provisions that provide for less or more restrictive leave than the law provides.

Sick Leave Payoffs

- **Conversion Rights**

Once an employee has accumulated a minimum of 240 hours in the sick leave account, unused sick leave may be converted to annual leave (vacation). In any month that the employee does not charge time against sick leave, sick leave accrual may be converted to annual leave as provided in the applicable agreement. An employee may accumulate an additional twelve days (96 hours) beyond the annual leave and unscheduled holiday maximum entitlement under this method. Contract-covered permanent part-time employees may convert unused sick leave at the proportional rate provided in the applicable agreement.

The maximum vacation entitlement shows on the paycheck stub or on-line payroll warrant as well the employee's leave balance. Maximum vacation entitlement is equal to twice the regular annual vacation entitlement plus the number of hours of vacation the employee has converted since July of 1980. Every time the employee converts, the maximum vacation entitlement amount is increased by four (4) hours up to a maximum of ninety-six (96) hours. The maximum vacation entitlement figure is reduced when the employee takes vacation or stops converting.

- **Retirement Payoff**

Upon retirement, employees covered by the AFSCME and IUP agreements will receive cash payment for accumulated unused sick leave up to a cash value of \$2,000. To qualify for retirement payoff, the employee must be at least 55 years of age and have applied to draw monthly IPERS retirement benefits. In order for the employee to receive this cash payment in the last paycheck, application for IPERS benefits must be submitted approximately one month in advance of retirement. The remaining balance may be converted for the purpose of paying monthly health insurance premiums after retirement in accordance with the terms in the applicable agreement.

SPOC-covered employees may utilize the value of the sick leave account at retirement to purchase insurance premiums, as provided for by the collective bargaining agreement and applicable statutory provisions.

- **Cancellation of Sick Leave**

When an employee separates from state service for reasons other than retirement, all accumulated unused sick leave is cancelled. If an employee is laid off and subsequently returns to state service

within one (1) year after layoff for SPOC and IUP Social Services employees or two (2) years for AFSCME and UE/IUP Science employees, the sick leave balance is restored.

Annual Leave (Vacation)

Permanent full-time employees begin accruing annual leave (vacation) on their first day in pay status. Any period of temporary service contiguous to and for which credit is given toward a permanent appointment will retroactively be counted toward the rate of annual leave accrual. Annual leave does not accrue during any period of unpaid time and accrues at the maximum rate only when the employee has eighty (80) paid hours in a pay period.

Full-time employees in permanent positions accrue annual leave at the rate set in the appropriate bargaining agreement.

Permanent part-time employees who work, on average, at least twenty (20) hours per week but less than forty (40) hours per week will accrue annual leave based on the number of hours they work in an amount proportionate to that accrued by full-time employees with the same years of service.

Annual leave accrual is limited to an amount equal to two years' annual leave accrual plus two years' accrual of unscheduled holidays plus the amount of any sick leave conversion (up to a maximum of 96 hours).

Annual leave may not be used in excess of the amount accrued, and shall not be used until the pay period after it is accrued. For example, if the pay period starts on the first (1st) day of the month and ends on the fourteenth (14th) day of the month, the annual leave accrued during that pay period is available for use on the fifteenth (15th) day of the month or after.

- **Charging Annual Leave (Vacation)**

If a period of approved paid annual leave includes a holiday, the employee will not be charged vacation leave but will be credited with the holiday.

- **Eligibility for Use of Annual Leave (Vacation)**

The agreements provide that annual leave must be requested in advance and must be approved by management before being taken. Employees are not required to serve any minimum amount of time in any permanent position before being granted the use of annual leave.

- **Scheduling of Annual Leave (Vacation)**

Contract-covered employees may schedule the use of annual leave by submitting requests as specified in their respective agreements. Vacation must be granted or denied in accordance with the applicable bargaining agreement.

Management has the discretion to control the number of employees in each job and work unit who are authorized leave at any given time. The amount of annual leave requested by senior employees cannot be restricted, even if the absence is lengthy, unless management has previously determined and announced that no employee can be gone for more than a specific amount of time (e.g., two weeks, or during a particular period of time such as during the Thanksgiving holiday).

If a non-contract employee or a supervisor wishes to take leave at the same time as a contract employee, seniority is not the deciding factor in determining who can be gone, nor is coverage by a collective bargaining agreement.

Once periods of annual leave have been scheduled, the employer may make changes only if necessary to meet emergencies or to insure that the provisions of the annual leave section of the

agreement can be implemented. This may mean canceling part of a vacation period previously approved for a less senior employee.

Holidays

All employees are granted nine (9) scheduled holidays each calendar year. The scheduled holidays are established by Code.

Employees are not eligible for holidays that occur during any period of nonpaid time including periods of layoff. Employees must be in pay status some portion of their last scheduled workday preceding the holiday and their first scheduled workday following the holiday to be eligible for a paid holiday on which they do not work. Employees are entitled to holidays that occur during a period of suspension. If a holiday falls during a period of suspension without pay, extend the return day by one and pay the employee for the holiday.

- **Designating the Holiday**

Employees who are regularly scheduled to work Monday through Friday observe the holiday on Friday for Saturday holidays, or on Monday for Sunday holidays. Employees who regularly work a schedule other than Monday through Friday observe their paid holiday on the date it occurs. The employee's holiday is determined by the employee's normal schedule, rather than the schedule for the workweek in which the holiday occurs. A regular schedule of four ten-hour days or some other compressed workweek between Monday and Friday is a variation of a Monday-Friday workweek.

Employees, who work rotating schedules, weekends, etc., observe the calendar holiday. To qualify under this provision, employees must rotate on a scheduled basis.

- **Scheduling Holidays**

Management has the right to determine necessary staffing on a holiday and can schedule less than a full staff complement if work unit needs can be accommodated. Employees should generally be given at least fourteen (14) days notice of the schedule change if the employee is not to work on a holiday. The opportunity to work a holiday is not a right and is not determined by seniority. Work on a holiday need not be offered or equalized like overtime.

Under the AFSCME agreement, employees who work a compressed workweek cannot have their schedule changed during a week containing a holiday unless the employer provides written notice at the time of approval of the compressed workweek that schedule changes will occur during any workweek that includes a holiday.

- **Unscheduled Holidays**

In addition to the nine (9) scheduled holidays, all employees receive unscheduled holidays each year as specified by their respective agreements. The unscheduled holiday hours are accrued over 26 pay periods and are reflected as part of the employee's annual leave (vacation) accrual and maximum entitlement figures on the paycheck earnings statement. Upon separation, an employee will be paid for the unscheduled holiday hours in the annual leave account. Unscheduled holidays do not accrue during periods of nonpaid time.

Holiday Pay

Compensation for holidays may include the following:

- **Time Worked on a Holiday (Holiday Premium Pay)**

Employees who are eligible for premium overtime and premium holiday pay who work on a holiday may choose pay or holiday compensatory leave for the premium portion of the hours worked on a

holiday, unless the bargaining agreement requires otherwise. Hours actually worked on a holiday must be paid but employees have the option for the “one-half” portion of “time and one-half.” (See specific contract language regarding the number of hours in the work shift which must fall between 12:00 a.m. and 11:59 p.m.) Holiday compensatory leave given to employees in lieu of pay as compensation for the hours worked on a holiday must be taken by the end of the State’s fiscal year or the leave will be paid to the employee.

- **Call Back on a Holiday**

If an employee who is eligible for premium overtime is called back to work on a holiday and works less than the minimum number of hours provided by agreement (three hours for AFSCME and IUP), only the time actually worked on the holiday is paid at the premium rate (time and one-half) and that time does not count when calculating overtime. The balance is paid at the regular rate and that time also does not count toward overtime.

- **Holiday Compensatory Leave**

Employees must be paid or given holiday compensatory leave if: 1) they work on a holiday; or 2) the holiday falls on their regularly scheduled day off. Full-time employees are entitled to at least eight (8) hours or the number of hours normally scheduled to work as compensation for the holiday. Part-time employees receive a prorated amount based on the number of work hours scheduled and paid in the pay period in which the holiday falls. If a part-time employee does not work on the holiday, the hours normally scheduled for that day are included when determining the number of prorated holiday hours. Banked holiday or compensatory leave (AFSCME, SPOC) must be taken within 12 months of the holiday, or the time lapses and it will be paid off in cash.

- **Avoiding the Pyramiding of Holiday Pay When Calculating Overtime**

If time worked on a holiday is paid at the rate of time and one-half, it is known as holiday premium pay. To avoid pyramiding, the hours worked on a holiday must be subtracted from the workweek before overtime is computed. After overtime calculations have been made for other hours worked, holiday premium pay is then added to the balance of the workweek to determine total compensation owed.

The following paragraphs explain when to include or exclude holiday time when figuring the payment of overtime for employees who are eligible for premium overtime.

Include the hours:

- For the holiday when it is the employee’s day to work.
- For the holiday when the employee elects to be paid (not banked holiday leave).

Do not include the hours:

- An employee works on a holiday, because those hours are calculated separately.
- For the holiday if it is the employee’s day off.
- For the holiday when the employee elects banked holiday leave in lieu of cash.

- **Designating Method of Holiday Payment**

Employees must designate whether they wish holiday payment (for either working the holiday or for the holiday) in cash or compensatory leave by the end of the pay period in which the holiday occurs; unless the applicable collective bargaining agreement provides otherwise. Management may establish a policy that specifies how time owed will be compensated if employees make no

designation. Management and an individual employee may agree to allow the employee to cash out accrued holiday compensatory or banked leave.

Travel and Lodging

- **Mileage**

Employees can be reimbursed at the contractual rate only when required and authorized to use their personal automobile in the performance of work for the department.

- **Meals and Lodging**

The Department of Administrative Services – State Accounting Enterprise (DAS-SAE) has determined the reasonable in-state lodging expense rate. DAS-SAE also sets the allowance for meals.

- **Out-of-State Travel**

Out-of-state travel, meals, and lodging will be reimbursed in accordance with existing Department of Administrative Services – State Accounting Enterprise guidelines.

- **Advance Travel Request**

When employees are required by the employer to travel outside the state and the anticipated expenses exceed \$200.00, employees may request an advance travel allowance in an amount not to exceed 80% of the anticipated travel expense. Employees must submit the advance travel request on the appropriate form available from the agency accounting office.

- **Permanent Travel Advance**

Employees who are required as a condition of employment to travel within the state on a regular basis may be eligible for a permanent travel allowance as follows:

- Employees whose in-state travel expense has averaged between \$100.00 and \$150.00 per month for the preceding twelve (12) months shall receive a permanent travel allowance of \$100.00.
- Employees whose in-state travel expense has averaged over \$150.00 per month for the preceding twelve (12) months shall receive a permanent travel allowance of \$150.00.

The advance travel allowance shall be deducted from the employee's last paycheck upon separation from state service. Additionally, the employer may regularly review an employee's monthly travel expense. Should the employee fail to meet the above requirements, the advance travel allowance shall be withdrawn and deducted from the employee's paycheck.

Employees must submit the request for permanent travel advance on the appropriate form.